



ENTERED
01/09/2020

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	Case No.: 19-34028
	§	
The New Lonestar Construction, LLC	§	
	§	
	§	Chapter 7
DEBTOR.	§	

ORDER AUTHORIZING EMPLOYMENT OF ACCOUNTANT

(Docket No. 23)

Upon consideration of the Application of Allison D. Byman, Trustee for the above entitled and numbered proceeding, praying for authority to employ and appoint the accounting firm of KenWood & Associates, PC ("KWA") and to designate David E. Bott to act as lead accountant to represent the Trustee as Trustee (the "Applicant"), and it appearing from the Application and Affidavit of David E. Bott that the persons employed by KenWood & Associates, PC and the accounting firm of KenWood & Associates, PC, have no connection with the Debtors, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any other person employed in the office of the United States trustee, and represent no interest adverse to the Trustee, the above-named Debtors, or its estate, in the matters on which it is to be engaged, that its employment is necessary and would be in the best interest of the estate, and sufficient cause appears for such employment; it is therefore,

ORDERED, that Allison D. Byman, Trustee for the above entitled and numbered proceeding, be and is hereby authorized to employ the accounting firm of KenWood & Associates, PC, with David E. Bott to act as lead accountant, to represent her as Trustee in this case effective November 19, 2019, to perform the following professional services:

EXHIBIT A

- a) to prepare any necessary federal and state income, payroll, sales, franchise and excise tax returns and reports of the bankruptcy estate;
- b) to provide evaluations and advice to Trustee on tax matters which may arise, including the determination of the tax basis of estate assets and the evaluation of the tax effects of the sale of assets of the estate;
- c) to locate, obtain, inventory and preserve the accounting, business and computer records of the Debtors for use in performing the tasks assigned to Applicant and in Trustee's administration of the estate;
- d) to analyze the Debtor's books and records and financial transactions regarding possible fraudulent, post-petition and/or preferential transfers to which the estate may be entitled to a recovery;
- e) to analyze the books and records and financial transactions of entities and individuals to which the Debtors are related, may be related or may have been related at some prior date to determine the value of any assets and existence of possible fraudulent transfers to which the estate may be entitled to a recovery; and
- f) to assist Trustee as an accountant and/or expert witness in litigation of the estate, assist in examinations and discovery under Federal Rule of Bankruptcy Procedure 2004 and the Federal Rules of Civil Procedures and to prepare any required expert reports related to litigation matters.

It is further,

ORDERED that KenWood & Associates, PC shall not be compensated by the bankruptcy estate for performing duties required to be performed by the Trustee. It is further,

ORDERED that KenWood & Associates, PC will be compensated only after proper application and notice in such amounts as may be allowed by the Court.

Signed: January 07, 2020.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

AFFIDAVIT OF DAVID E. BOTT

STATE OF TEXAS

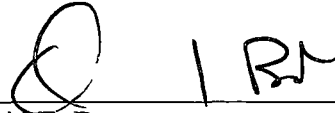
COUNTY OF FORT BEND

Before me, the undersigned authority, on this date personally appeared David E. Bott, known to me to be the person who has subscribed his name below, and who, being by me first duly sworn, on oath deposes:

My name is David E. Bott. I am over the age of eighteen (18) years, am of sound mind, and am in all ways competent to make this affidavit. I am an employee of the certified public accounting firm of KenWood & Associates, P.C., and am a licensed public accountant. I have personally handled or supervised the work performed on behalf of the Trustee of the Estate of The New Lonestar Construction, LLC, and I certify that the following account is true and correct:

Executed this 22nd day of April, 2021


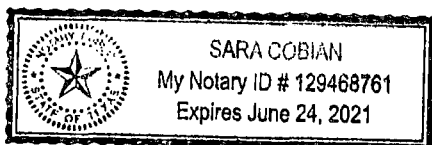
KenWood & Associates, P.C.



David E. Bott
Certified Public Accountant
Certified Insolvency and Restructuring Advisor

AFFIDAVIT OF DAVID E. BOTT

SWORN TO AND SUBSCRIBED BEFORE ME, by the said David E. Bott on this 22nd day of April, 2021, to certify which witness my hand and seal of office.



Sara Cebian
Notary Public in and for the
State of Texas.

KenWood & Associates, P.C.

14090 Southwest Freeway
Suite 200
Sugar Land, TX 77478-3678

Invoice submitted to:

The New Lonestar Construction, LLC
Byman & Associates, PLLC
Allison D. Byman, Trustee
7924 Broadway, Suite 104
Pearland, TX 77581

Case No.: 19-34028

<u>Date</u>	<u>Task</u>	<u>Staff</u>	<u>Comments</u>	<u>Hours</u>	<u>Amount</u>	<u>Rate</u>
11/19/2019	1	SNC	Client set up in Practice; set up projects; set up files on G drive; prepare Application to Employ and Affidavit; send email to the Trustee with Application Employ and Affidavit; mail out original signed page 2 of Affidavit to the Trustee.	0.70	N/C	\$105.00
11/19/2019	2	MTW	Restore Lonestar QB file; reset password.	0.40	\$58.00	\$145.00
11/19/2019	2	MTW	Review banking activity in QB to confirm file was current.	0.30	\$43.50	\$145.00
12/30/2019	2	DEB	Email request to the Trustee regarding debtor 2017 and 2018 federal income tax returns and the 2019 report year TFTR.	0.10	\$27.50	\$275.00
12/30/2019	3	DEB	Initial review of the debtor 2017 and 2018 Form 1065s.	0.20	\$55.00	\$275.00
12/30/2019	3	DEB	Review of the 2017 and 2018 Form 1065s noting ownership change and the 2018 partnership return has only one partner (.3); email to Anabel King asking her to confirm that the debtor representative intends to treat the debtor as a single member LLC and report the debtor 2019 activity on the corporate owners tax return and request her to provide the 2019 report year TFTR (.1); search Comptroller website for status of debtor with the Comptroller (.1)	0.50	\$137.50	\$275.00
12/30/2019	2	VLO	Access cash basis and accrual basis financial statements (Balance Sheet and Profit & Loss) and general ledgers for 2018 and 2019.	0.30	\$61.50	\$205.00
12/30/2019	3	VLO	Review debtor prior year tax returns and QuickBooks files.	0.60	\$123.00	\$205.00
01/03/2020	2	DJA	Email receipt of additional petition exhibits from T. Wentworth, review and save same.	0.20	\$42.00	\$210.00
01/07/2020	3	DEB	Read and respond to Anabel King's response to debtor being a single member LLC and attempting to confirm that the tax reporting activity for 2019 will be included on the single member's federal income tax return.	0.10	\$30.50	\$305.00
05/04/2020	4	DEB	Read email from Tim Wentworth regarding debtor accounting data and bank statements; email exchange with MTW regarding same and accuracy of debtor QBs; respond to TW email regarding debtor QBs and bank statements.	0.40	\$122.00	\$305.00
05/04/2020	4	MTW	Request from DEB to confirm bank records in CLNT folder (Tim Wentworth) (.3); access QB file to determine if it had transaction detail (.3); request from TW to run payment activity for list of creditors (.4); run balance sheet and income statement (.2).	1.20	\$186.00	\$155.00
05/05/2020	4	DEB	Discuss Tim Wentworth email regarding preference payments with MTW including review of daily payments to Chrome Capital Funding and Knight Capital Funding.	0.40	\$122.00	\$305.00
05/05/2020	4	MTW	Discuss request from Tim Wentworth for detail on transactions from Knight Capital and Chrome Capital with DEB.	0.30	\$46.50	\$155.00
05/07/2020	4	MTW	Verify bank transactions for Knight Capital Funding; verify bank transactions Chrome Capital Funding (.4).	0.80	\$124.00	\$155.00

05/08/2020	3	DEB	Read email from Tim Wentworth regarding the debtor filed 2019 TFTR including attached 2019 TFTR; review of same and the 2018 Form 1065; email response to TW regarding gross revenue on TFTR provided disagrees with the 2018 Form 1065 gross revenue by some \$29k and that we were provided with the same TFTR on or about 1/10/20.	0.40	\$122.00	\$305.00
05/13/2020	3	DEB	Read and respond to Tim Wentworth email regarding Sherri Simpson, Comptroller representative, requesting a final TFTR to "close out" the account.	0.10	\$30.50	\$305.00
05/13/2020	3	DEB	Review of the 2018 Form 1065 and earlier emails with Anabel King, debtor attorney, that the debtor will file the 2019 federal tax return as a single member LLC.	0.20	\$61.00	\$305.00
05/13/2020	4	DEB	In connection with preference analysis and pursuant to Tim Wentworth email request, review of the debtor QBs detail general ledger related to debtor activity with Chrome Capital Funding (.4), Knight Capital Funding (.4), Pearl Delta Funding (.2), SPG Advance (.2), Texas Lonestar Development (.5) and Texas Driftwood RE Investment (.5); review of debtor detail general ledger activity related to LS Construction and LSC as they are noted in activity with Texas Driftwood (.3); prepare email summary of findings with attachments to respond to TW (.2).	2.70	\$823.50	\$305.00
05/13/2020	4	MTW	Discuss repossession to Tim Wentworth requests with DEB.	0.20	\$31.00	\$155.00
05/14/2020	4	DEB	Pursuant to TW request, review of debtor detail general ledger and extract accounts related to Knight Capital and Chrome Capital funding of loans to debtor; send email with loan funding detail attached to TW.	0.30	\$91.50	\$305.00
05/14/2020	4	MTW	Discuss payments to Knight Capital and Chrome Capital with DEB; forward copy of report showing all payment activity.	0.20	\$31.00	\$155.00
05/15/2020	4	DEB	Review of Knight Capital QBs data with funding to debtor recorded to Professional Fees; email same to TW.	0.20	\$61.00	\$305.00
05/28/2020	4	DEB	Pursuant to Tim Wentworth request for debtor transactions from 1/1/19 to the date of petition, review of debtor detail general ledger and email response to TW.	0.10	\$30.50	\$305.00
06/03/2020	4	DEB	Pursuant to Tim Wentworth email question, review of debtor detail general ledger to confirm that two payments are reflected as payments to APK Sports; send email reply to TW; email exchange with MTW and TW regarding APK invoices.	0.40	\$122.00	\$305.00
06/03/2020	4	MTW	Email exchange with DEB regarding email sent to TW about payments to APK	0.30	\$46.50	\$155.00
06/05/2020	4	DEB	In connection with debtor SOFA reflecting more than \$1.694M in three payments to Texas Driftwood RE Investments, LLC and Tim Wentworth email regarding same, review of debtor detail general ledger; discuss issue with MTW.	0.40	\$122.00	\$305.00
06/08/2020	4	DEB	Review of debtor balance sheet and detail general ledger regarding Tim Wentworth question regarding insider payments to Texas Driftwood; discuss same with MTW and respond to TW email.	0.20	\$61.00	\$305.00
06/08/2020	4	MTW	Review debtor QB to attempt to locate transactions that match reported payments to insiders on SOFA.	0.60	\$93.00	\$155.00
06/22/2020	3	DEB	Read email from Tim Wentworth in connection with email from Sherri Simpson, Texas Attorney General representative; review of the Chapter 7 filing date, the 2019 report year TFTR and the related project due date; email response to TW question and SS comments; further email exchange with TW regarding 2020 report year TFTR; call Sherri Simpson and leave voice message regarding same.	0.40	\$122.00	\$305.00
06/22/2020	3	VLO	Prepare 2020 report year Texas Franchise tax return	0.80	\$164.00	\$205.00

06/23/2020	3	DEB	Discuss 2020 TFTR and 2019 TFTR refund with Sherri Simpson.	0.20	\$61.00	\$305.00
06/23/2020	3	DJA	Preliminary review of 2020 TFTR and review debtor documents regarding same.	0.20	\$42.00	\$210.00
06/24/2020	3	DJA	Review draft computation of revenue and cost of sales for 2020 Texas Franchise Tax return.	0.40	\$84.00	\$210.00
06/30/2020	3	VLO	Webfile the 2020 Texas Franchise tax return.	0.30	\$61.50	\$205.00
07/13/2020	3	SNC	Final preparation of the 2020 report year Texas Franchise Tax Return and the related Prompt Determination Request of the estate tax liability by the Comptroller.	0.80	\$84.00	\$105.00
01/15/2021	3	DEB	Review of the current Forms 1 & 2; send same to Anabel King for providing to the debtor representative for inclusion in the Texas Driftwood RE Investments LLC 2020 federal tax return.	0.20	\$67.00	\$335.00
01/26/2021	1	DEB	Meet with the Trustee and DJA regarding status of the case and tax issues.	0.10	N/C	\$335.00
01/26/2021	1	DJA	Meeting with Trustee, ADB, and DEB to discuss status of case and tax matters.	0.10	N/C	\$230.00
02/08/2021	3	DEB	Review of the 2020 JP Morgan Form 1099 received from the Trustee; review of the debtor federal tax returns and the Forms 1 & 2; email to SNC to send the 1099 to Anabel King for inclusion in the tax return of the entity that the debtor is an single member LLC of.	0.20	\$67.00	\$335.00
02/08/2021	3	SNC	Email JP Morgan 2020 Form 1099 to Anabel & Matt via SafeSend.	0.20	\$22.00	\$110.00
02/26/2021	3	SNC	Preparation of the 2021 report year Texas Franchise Tax return.	0.70	\$77.00	\$110.00
02/26/2021	3	DJA	Review of the 2021 TFTR.	0.20	\$46.00	\$230.00
02/26/2021	3	SNC	Final preparation of the 2021 report year Texas Franchise Tax Return and the related Prompt Determination Request of the estate tax liability by the Comptroller.	0.80	\$84.00	\$105.00
02/26/2021	5	SNC	Prepare first and final fee application.	1.10	\$121.00	\$110.00
02/26/2021	5	DEB	Review first and final fee application.	0.50	\$167.50	\$335.00

Professional Fees: 20.00 \$4,175.50

Additional Charges:

<u>Date</u>	<u>Comments</u>	<u>Amount</u>
07/13/2020	Copies (2020 TFTR)	\$2.00
07/13/2020	Postage (2020 TFTR)	\$7.80
02/26/2021	1-FFA (Copies)	\$37.00
02/26/2021	1-FFA (Postage)	\$62.43

Total Costs: \$109.23

Total Invoice: \$4,284.73

The following is a summary of names, hours, hourly rates, and total cost of personnel referred to in the preceding pages:

Name	Time (Hours)	Rate	Total Cost
David E. Bott, CPA	8.30	\$301.69	\$2,504.00
Deborah J. Abbott, CPA	1.10	\$194.55	\$214.00
Victoria L. Odom, CPA	2.00	\$205.00	\$410.00
Michael T. Ward, Pro Staff	4.30	\$153.37	\$659.50
Sara N. Cobian, Assistant	<u>4.30</u>	\$90.23	<u>\$388.50</u>
 TOTAL	 <u>20.00</u>		 <u>\$4,175.50</u>

Out-of-Pocket Expenses:

Copies (\$0.20ea)	\$39.00
Postage	<u>\$70.23</u>
 TOTAL	 <u>\$109.23</u>

David E. Bott, CPA

14090 Southwest Freeway, Suite 200, Sugar Land, Texas 77478
(281) 243-2300 – Fax: (281) 243-2326

Position:	Vice-President KenWood & Associates, P.C.
Education:	B.A. Accounting 1975 Lycoming College, Williamsport, Pennsylvania
Selected Experience:	<p>Over 45 years of experience in providing accounting, tax and consulting services including approximately 2 years with a "Big 4" public accounting firm</p> <p>Provide financial and tax services for Chapter 7 Bankruptcy Trustees including investigative analysis, preferential payment analysis, and court testimony.</p> <p>In connection with the defense of a lending institution, provided expert accounting and tax assistance in determining lost profits of a consolidated oil and gas company.</p> <p>Assisted in the valuation of assets for an insurer in connection with the nationalization of oil and gas properties located in South America</p> <p>In connection with the defense of an engineering firm, provided expert testimony with regard to contract compliance</p> <p>Formerly Tax Manager of a public oil and gas exploration and production company which served a general partner of public drilling programs</p> <p>As accountant for a creditor's committee, prepared a liquidation analysis of a regional meat packaging plant</p> <p>As a consultant, performed due-diligence reviews of oil and gas companies acting as a general partner of drilling and income partnerships</p>
Professional Activities:	Member: American Institute of CPAs Texas Society of CPAs Association of Insolvency & Restructuring Advisors The National Association of Bankruptcy Trustees
Professional Designations:	Certified Insolvency & Restructuring Advisor Personal Financial Specialist Certified in Financial Forensics

Deborah J. Abbott, CPA
14090 Southwest Freeway, Suite 200
Sugar Land, Texas 77478
(281) 243-2318

Position: Tax Manager
KenWood & Associates, P.C.

Education: Masters of Science in Accountancy
University of Houston

Bachelor of Business Administration with concentration in marketing
University of Texas

Selected Experience: Diversified experience with accounting, auditing, tax, bankruptcy and litigation services.

Preparation of federal income tax returns for individuals, partnerships and corporations.

Professional Activities: Member: American Institute of CPAs
Texas Society of Certified Public Accountants
Houston Chapter of TSCPA

Michael T. Ward
14090 Southwest Freeway, Suite 200
Sugar Land, Texas 77478
(281) 243-2329

Position: IT Manager / Consultant
KenWood & Associates, P.C.

Education: B.B.A. Management Information Systems 1997
Mississippi State University, Starkville, MS

Experience: Over 15 years experience installing, managing, and supporting large and small computer networks including hardware, software, and end user support.

Install, configure, and manage server hardware and operating systems in multiple environments.

Supported multiple accounting software packages from small single user to multiuser enterprise packages.

Assisted software developers in creating secure web applications for insurance industry. Duties including making sure website security certificates were installed and server operating system was hardened to prevent unauthorized access.

Provided technical support for a small Application Service Provider that hosted multiple public websites. Primary duties centered around server hardware, operating system, and website performance.

Managed multisite email environment with over 200 users.

Configure and manage hardware and software firewalls to protect local area networks and allow virtual private network access for remote users. Monitor traffic for signs of unauthorized access.

Provide technical support for small law firms including document management and sharing.

Configure and perform data backups to maintain data integrity.

Managed multiple phone systems from traditional PBX to Voice over IP.

Assisted in locating critical accounting related computers in bankruptcy cases. Transition computer equipment from datacenter to on-site for access to accounting records.

VICTORIA L. MILANA ODOM, TAX MANAGER
14090 Southwest Freeway, Suite 200, Sugar Land, Texas 77478
(281) 243-2300 – Fax: (281) 243-2326

Position: Tax Manager
KenWood & Associates, P.C.

Education: B.B.A. Accounting 1984
Pennsylvania State University, Harrisburg, Pennsylvania

Selected
Experience: Over 30 years of experience in providing accounting, tax and consulting services.

Diversified experience in taxation of corporations, partnerships, high net worth individuals and the specialized industry not-for-profit organizations

Formerly Assistant Controller of a leading Houston based not for profit agency exceeding 250 million in revenue.

Professional Activities: Member: American Institute of CPAs
Texas Society of CPAs

Professional Designations: Certified Public Accountant

AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF FORT BEND

I, David E. Bott, being duly sworn do depose and say:

THAT the facts contained in the above Application are true and correct to the best of my knowledge, information and belief.

THAT in accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me or any other person for a division of compensation except that the same may be divided among members of the firm of which the undersigned is a member.

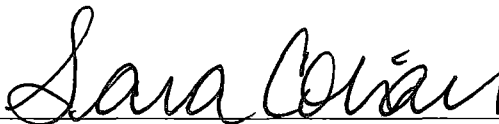
THAT no agreement prohibited by Title 18 U.S.C. Section 155 has been made; that I have not entered into any agreement, expressed or implied, with any other party in interest, including the bankrupt, a creditor or any representative of any of them, or with any attorney for any such party in interest in this proceeding, for the purpose of dividing the fees or other compensation to be paid to any such party in interest or any attorney for such party in interest in the proceeding, for services rendered in connection therewith, from the assets of this case.

KenWood & Associates, P.C.



David E. Bott
Certified Public Accountant
Certified Insolvency and Restructuring Advisor

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority on this the 22nd day of April, 2021.



NOTARY PUBLIC in and for
The State of Texas

